



A Public Spanking

Posted by [Pierluigi Oliverio](#) on Monday, October 04, 2010

County Assessor Larry Stone visited the San Jose City Council study session last week and gave an extensive lecture on the role of the County Assessor and a critique of Spectrum Economics. His comments were blunt, sparing only profanity about the economist hired by the RDA for \$15,000. [I wrote about this topic three weeks ago.](#)

This is the only time that another elected official has spoken to the City Council at length during my tenure. Mr. Stone explained how property values rise and fall. Property values change for a variety of reasons: when property is sold, new construction, Prop 13 adjustments, Prop 8 appeals, business property (servers, factory equipment) and assessment appeals. Revenues from property tax will not increase for local governments this year and may even fall further.

Those that are hopeful of more property tax revenue have stated that if a global corporation stock price rises then so should their property value. Assessor Stone stated that there is no correlation between the stock price of a single company and how much their commercial property is worth. His example was that if you got a raise or bonus that your own home would not increase in value.

I think next year we may want to forgo an economist and instead pick up the phone and call Larry Stone. To be fair, the assessor only looks back and does not offer projections; however he has a more informed view than most and the only cost may be lunch.

[Click this link to view the Spectrum Economics Report.](#)

[Click this link to view the informative presentation of Larry Stone.](#)

[Click this link for the the play by play speaking notes that went with the presentation slides.](#)

This Wednesday night at City Hall, 6:30PM our City Auditor will present the findings of the pension audit to the public.

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